GRAZING LEASE CONVERSION

TASK FORCE REPORT

ON THE

GRAZING LEASE CONVERSION POLICY

1987 November 12

Honorable LeRoy Fjordbotten
Minister
Forestry, Lands and Wildlife
403 Legislature Building
Edmonton, Alberta

Dear Mr. Fjordbotten:

On behalf of the Task Force on Grazing Lease Conversion, I submit to you

our Report.

Yours truly,

Jack Campbell, M.L.A.,
Chairman
Task Force on Grazing Lease
Conversions

INTRODUCTION

On August 01, 1985, The Hon. Don Sparrow, then Associate Minister of Public Lands and Wildlife, announced cabinet approval of changes to the Farm Development and Homestead Regulations and Policies on administering Public Lands for agriculture.

The primary objective of the policy was to allow for Public Land held under grazing lease that was suitable for long term cultivation, to be converted by the lease holder without competition from other applicants. It was felt that this conversion would result in higher use of the land through crop production. To change land use or ownership under the previous policy, the land had to be posted (advertised) prior to sale. The new policy allowed for the direct sale of the land to the lease holder.

Many lessees have spent time, money and effort in improving their Public Land Grazing Leases. Under the former posting policy, they were reluctant to withdraw lands from their lease because of the possibility of another farmer acquiring the land and fragmenting their unit. This had the effect of freezing land from higher production. Since early 1985, the agricultural industry, provincially and internationally, has been in a state of change.

Following the announcement of the policy, many individuals, recreation and environmental organizations protested in opposition to the policy. They said the government did not have the right to arbitrarily sell land that belonged to the public. They did not agree with giving the lessee an exclusive right and lenient terms to purchase the lease lands.

In the Speech From The Throne on June 12, 1986, further approvals of conversions in the southern and central administrative regions were frozen until full public input was received and any expressed concerns adequately reviewed. The intention was that the policy would be sensitive to Albertan's needs, effective, well understood and broadly supported.

In October, 1986, The Hon. Don Sparrow, Minister of Forestry, Lands and Wildlife, appointed a seven member Task Force to review public concerns regarding the Grazing Lease Conversion Policy. Committee members included:

Jack Campbell (Committee Chairman)	M.L.A., Rocky Mountain House
Greg Stevens (Vice Chairman)	M.L.A., Banff-Cochrane
Elmer Kure	Elmer has served in various capacities with the Alberta Fish and Game Association.
Herman Schwenk	Herman is a member and past director of the Unifarm Association.
Dr. Steven West	M.L.A., Vermilion-Viking
Janet Koper	M.L.A., Calgary-Foothills
Roy Brassard	M.L.A., Olds-Didsbury

The committee was initially instructed to hold five meetings to listen to the concerns of the public on the Grazing Lease Conversion Policy. The committee decided to hold two additional meetings; one in Northern and one in Northeastern Alberta.

The dates and places of these meetings were as follows:

January 20, 1987	Edmonton	Hotel Convention Inn 4404 Calgary Trail
January 22, 1987	Red Deer	Capri Centre 3310 Gaetz Avenue
January 26, 1987	Lethbridge	El Rancho Motor Hotel 526 Mayor Magrath Drive
January 27, 1987	Medicine Hat	Medicine Hat College 229 College Drive S.E.
January 29, 1987	Calgary	Crossroads Motor Hotel 2120 - 16 Avenue, N.E.
February 2, 1987	Peace River	Travellers Motor Hotel 9510 - 100 Street
February 3, 1987	St. Paul	Senior Citizens Centre

Each of the locations had an open house from 10:00 a.m. to 2:00 p.m. for anyone interested in further information on the policy. The public meetings were held from 2:00 to 5:00 p.m. and recommenced at 7:30 p.m.

There were approximately 1220 plus people in attendance at the 14 meetings. 196 verbal presentations were made at those meetings. In addition to the meetings, 229 written submissions were received and reviewed by the Task Force.

To become familiar with relevant programs and policies, the Task Force met with senior staff from Forestry, Lands and Wildlife and other departments. In addition, a number of pertinent information and explanation packages were requested from various government departments.

The Task Force requested the Minister to extend the freeze of grazing lease conversions to the entire province until its report was submitted. That freeze was announced by the Hon. Don Sparrow on March 2, 1987.

OBSERVATIONS AND IMPRESSIONS

At the meetings, and later in reviewing the written material, the Task Force became aware of a number of issues/concerns. These issues/concerns vary in their relationship to the Grazing Lease Conversion Policy. The Task Force recognizes these issues/concerns are beyond its Terms of Reference. However, they are discussed following the Grazing Lease Conversion Policy recommendation. These associated issues/concerns are broadly grouped, then outlined as; Title, Discussion Statement and Remarks.

Overall, urban public and various recreational and environmental organizations expressed concern with the policy. There is a perception that the government is attempting to sell a valuable resource to a privileged few agricultural producers for a price below its real value. There is a strong feeling that unless the land continues to be public, it will not be available to serve the expectations of the public.

The Task Force heard many organizations or groups speaking on behalf of their memberships. These groups had varying opinions and membership numbers (Appendix "A").

People were sincere in their opposition to the policy.

Primary support for the policy came from the agricultural community, although there were members of this group who did not support the policy.

The policy was criticized as benefiting a few large ranch operators. The agricultural producers who supported the policy at the meetings were primarily small operators wishing to purchase one or two quarters to establish a viable farm unit.

Many people philosophized that the land was Public Lands, owned by the public, and should remain public.

In both the public meetings and later mail-ins, the information book and questionnaire were criticized. The selected distribution of the questionnaire was criticized as well. The Task Force recognizes the potential biases and has considered this in weighing the information received from the questionnaire.

GRAZING LEASE CONVERSION POLICY

RECOMMENDATION

Rescind the Grazing Lease Conversion Policy and bring forward a new Grazing Lease Management Policy.

DISCUSSION

The Grazing Lease Conversion Policy has potential benefits that should not be lost to the agricultural community. A new policy should be brought forward after rescinding the August 01, 1985 policy, which would allow suitable lands to be used for a higher agricultural use. Three topics should be considered in the development of the new policy:

1) The public land changed to the higher agricultural use should not be sold in the future. Increasing the lease term on a Grazing Lease may need to be explored. The management may include the trading of a public land parcel for a deeded parcel, when the newer parcel has more "value to the public" than the current public land.

2) Any change of public land use should occur as a result of some form of "public planning process" and include the principles of "integrated resource planning".

3) A new grazing land management policy should be developed to re-affirm the public trust in its government to manage public land for the people of Alberta. Steps should be taken to ensure that the public is made aware of the policy.

The development of this policy will be a complex process which should include these items and recommendations:

- a review addressing multiple use;
- a review of the issues brought forward at the Task Force Meetings;
- the formulation of a dedicated fund for land assembly;
- increase grazing lease fees and use that income to achieve higher objectives of public land management;
- a more formal sharing of procedures, policies, and goals between the various crown land management agencies to aid integrated resource planning and management.

In rescinding the current policy, it is recommended that the government continue to honor the existing conversion agreements where written commitments were made prior to the March 02, 1987 moratorium extension. The other applicants should be notified that the policy is changed and that their applications are cancelled.

ASSOCIATED ISSUES/CONCERNS

As a result of the presentations (written and verbal) the Task Force is compelled to recognize, outline, discuss and make statements on these associated issues/concerns.

SALE OF OTHER PUBLIC LAND

1) SHOULD WE SELL ANY PUBLIC LAND?

DISCUSSION:

Some members of the public raised a concern that no public lands should be sold. Others made the case that lands that directly affect them should either be retained in public ownership or sold, depending on their point of view.

REMARKS:

The Task Force recognizes that regional differences exist and that there are some legitimate reasons for sale of public land. For example, there did not appear to be widespread opposition for the sale of public land in the Peace River Block. The Task Force recommends that a statement be produced and made public to explain why, when and how public lands (other than grazing lease lands) are sold.

2) REGIONAL CONSIDERATION

DISCUSSION:

Many variable factors affect land use decisions. Each region has its own unique factors which should lead to regional land use decisions.

REMARKS:

The Task Force recommends that differences be formalized and considered in policy rather than in regulation. Land use decisions should be made on a regional basis.

3) SALE TERMS - GOVERNMENT ASSISTANCE

DISCUSSION:

The terms of sale, including price, downpayment, interest rate, and length of mortgage were criticized as being too lenient. These perceived "sweetheart deals" reflect a difference in the conditions of sale as compared with the private market.

REMARKS:

The Task Force recommends that if sales of public lands occur, then the terms should be absolute, the price set at fair market value, and the funds obtained from the open market.

LEASING OF PUBLIC LAND

4) SURFACE RIGHTS

DISCUSSION:

The exploration and development phases of the petroleum and natural gas industry must negotiate the agreement with the grazing lease/permit holder prior to the development on the grazing lease/permit land. The payment to the lessee on public land by the oil and gas industry sometimes closely parallels what is paid to the private land owner and has led to an increased demand for leasehold status of public land.

REMARKS:

The Task Force acknowledges that compensation for damage is legitimate, but recommends the perceived windfall payments for nuisance and inconvenience to the lessee be reviewed.

5) SALE OF LEASES (ASSIGNMENT)

DISCUSSION:

Leases can be assigned from one party to another with the Minister's approval and the payment of an assignment fee. Normally the new lessee pays a consideration above the assignment fee to the former lessee. In some instances the assignment rights have been auctioned in land auction style.

REMARKS:

The Task Force does not support speculation and windfall profits by the lessee as a result of assignment. Leases should be legitimately assigned with a farm or ranch unit or to a family member. The Task Force recognizes that an increase in lease fees would detract from speculation. The Ministerial approval process should include disclosure of terms of any assignment with all assignment fees channeled into a land assembly fund after the legitimate costs of depreciated improvements are deducted.

6) LEASING

DISCUSSION:

Leasing is not as absolute as sale, but is an alternative to sale. Terms and conditions of a lease can be somewhat flexible.

REMARKS:

The Task Force recognizes that leasing is a viable alternative to sale. Increasing tenure when linked with management/development efforts is viable as well.

ACCESS TO GRAZING LEASE LAND AND MULTIPLE USE

7) ACCESS

DISCUSSION:

The public appears to be divided in their perception of this problem. There are those who believe they currently have the right of access to Public Lands. Then there are those who accept the Attorney General's interpretation which does not carry the right of access to Public Land under disposition. The issue, which needs to be resolved, is further complicated by the conflict between various other acts.

REMARKS:

The Task Force further recommends that the following principles be included in the access resolution on public land held under grazing lease disposition:

- foot access be allowed at all times;
- vehicle use be restricted to established roads or designated trails, or by permission of the occupant to off-road lands.

8) MAP OF CROWN LAND

DISCUSSION:

Requests were made to have Public Lands and Crown Lands clearly identified on maps.

REMARKS:

The Task Force recognizes that the local authority maps are best suited to show this information. These maps would require some changes to assure a standard listing of Public and Crown Land on all local authority maps. This position was supported by resolution of the Association of Municipal Districts and Counties at their most recent conference.

9) WILDLIFE

DISCUSSION:

Generally, the sale of any Public Land has a potentially negative affect on wildlife habitat. Public Lands can be managed for multiple use. As wildlife is one of the uses, it benefits with multiple use.

REMARKS:

The Task Force agrees that key or critical wildlife habitat should be retained in public ownership or purchased/contracted where deeded. A fund or program should be established for those purchases. Public Lands should be managed for multiple use.

10) TRAPPERS RIGHTS

DISCUSSION:

The use, development or sale of Public Grazing Land affects the ability of that land to produce fur bearers. Traditionally the trappers concerns have been somewhat secondary on grazing lands.

REMARKS:

To achieve multiple resource benefits from Public Land, the Task Force encourages a more formal recognition of trappers rights when addressing multiple use on Public Land.

11) RANGE IMPROVEMENT PROGRAM

DISCUSSION:

There was some criticism of the government directly funding grazing improvements on lease land. Funding and development occurred after operational planning recognized full resource management of the grazing land.

REMARKS:

The Task Force recommends that the government not directly fund grazing improvements. Operational planning should continue to occur prior to any development and be further focused on multiple use. Increasing lease tenure because of development, could be viewed as an incentive to improve lease land and foster multiple use.

The following issues are not grouped but do warrant comment:

12) GRAZING ALLOTMENTS IN THE EASTERN SLOPES

DISCUSSION:

There is a long and increasing conflict on land use between the recreationalist/hunter and the domestic grazing on the public lands of the Eastern Slopes of the Rocky Mountains.

REMARKS:

The Task Force recommends the development of a policy whereby grazing lands would be located and/or developed to replace the grazing in those heavily recreated/critical wildlife areas of the Eastern Slopes.

13) WHY ARE WE MAKING MORE LAND AVAILABLE FOR AGRICULTURAL PRODUCTION?

DISCUSSION:

Current agricultural over-production and subsidy were listed as strong reasons to reject the Conversion Policy.

REMARKS:

The Task Force sees the agricultural over-production, which occurred after the policy was initiated, as a short-term issue. The government's commitment to long term agricultural stability is supported. The Task Force recognizes the need to support good management of both Public and Private Lands, as well as the other resources that can be produced on those lands to create diversity and strengthen our economy and society. This in fact may require taking sensitive or marginal land out of cultivation.

CONCLUSION

The Task Force was to convene public meetings throughout the province. At these meetings we listened to the people and encouraged them to further communicate in writing. Albertans did respond, and we have deliberated all the input received.

In conclusion, the Task Force would like to acknowledge:

- The Minister for his innovative attempt to increase long term agricultural stability at little expense, and;
- The people of Alberta for attending meetings, gaining information, orally giving presentations, filling out questionnaires, and writing letters and submissions.

These issues and exercises proved to be part of a larger picture. The past, current, and future management of Alberta's Public Lands and its resources, affects Albertans from many walks of life. Because of this, the planning and management of these Public Lands must be better understood by the people of Alberta. An increased effort must be made to outline ways Albertans could understand, share, and work together with their Public Land Management agencies.

APPENDIX "A"

LIST OF ASSOCIATIONS/GROUPS PRESENTING BRIEFS (ORAL AND/OR WRITTEN)

Fish and Game Association & Clubs (28 X)
Alberta Trappers Association
Lac La Biche Trappers Association
Lakeland Forage Association
Beaver Lake Indian Reserve
Aurora Way Highway Association
Lakeland Breakers of Two Hills
Zone 9 Alberta Cattle Commission
I.D. # 21 Council
I.D. # 18
I.D. # 06
South Peace Stock Growers
Native People
Alberta Cattle Commission
Environmental Protection Sub-Committee of E.C.A.
Alberta Wilderness Association
Western Stock Growers Association
Sierra Club
Calgary Field Naturalists Society
Canadian Society of Environmental Biologists
Outdoor Foothill Recreation Club
Medicine Hat Chamber of Commerce
Southern Alberta Environmental Group
South Outdoorsmen
Foothills Outdoor Recreation Club
Dryland Salinity Control Association
Red Deer Regional Planning Commission
M.D. of Clearwater # 99
Alpine Trail Riders
Trout Unlimited
Lethbridge Naturalists Society
Red Deer River Naturalists
Canadian Parks and Wilderness Society
County of Two Hills No. 21
Alberta Bowhunters and Archers
Southern Alberta Equestrian Council
Strathcona County
Grassland Naturalists
Rannach Community Pasture
Beaver Lake Tribe
North West Voyagers
Canadian Petroleum Association
North Burnstick Grazing Association
Foothills Protective Association
Independent Petroleum Association